

**Water/Wastewater Commissioners’  
Meeting Minutes  
September 2, 2014**

Present: Michael E. Putnam, Chairman  
Dale A. White, Vice-Chairman  
Robert E. Courage, Member  
David Boucher, Director  
Evelyn Gendron

**Call to Order**

Chairman Putnam called the meeting to order at 6:00 p.m. The commissioners welcomed Mr. Chris Berg, Wright-Pierce, invited this evening to discuss the August 4, 2014 Dram Cup Water Tank Lining Project bid opening which yielded the following results:

ABHE & Svoboda, Inc.	\$418,680.00
John Egan	\$371,440.00
DN Tank Services	\$147,100.00

Director Boucher apprised Mr. Berg of the points raised during the August 19, 2014 commissioners’ meeting and requested additional details concerning the materials and procedures that DN Tanks, as the low bidder, would include in their price of \$147,100.00. Mr. Berg distributed the September 2, 2014 memo he authored titled Dram Cup Hill Tank Renovations – Rebid, which summarizes Wright-Pierce’s recommendation to rebid this project due to the different type of sealcoating process having been outlined by DN Tank Services. Mr. Berg explained that Milford’s Dram Cup Tank is a Natgun tank, and DN Tank Services is the parent company of Natgun. He said the DN Tank bid proposal would potentially work well, although based upon “an acceptable but not equivalent coating technology and preparation methodology than that which is listed in the project specifications”. He said knowing now that their process is different from what had been specified he didn’t think that ethically and legally we could move forward with DN Tank Service’s bid. He recommended rejecting DN Tank Services’ bid, and pointed out that John Egan was the second low bidder, with a bid approximately \$45,000.00 higher dollar than the funds currently approved by the Town of Milford and the NH DES. He recommended Milford rebid this project with an alternative coating similar to the methodology proposed by DN Tank, which would allow other contractors to bid on the same coating materials and processes. He said the NHDES has agreed to a shortened rebid period of two weeks, no additional public advertisements would be necessary, and electronic PDF copies of the specifications would be distributed to the existing project plan holders on record. Wright-Pierce indicated anticipation to revise and distribute the specifications by Friday, September 5, 2014.

Chairman Putnam inquired whether Wright-Pierce would require an additional fee to rebid this project. Mr. Berg said no. He expressed disappointment that Wright-Pierce didn’t realize the disparity between the bids received and questioned why the wide range of bid prices wouldn’t have warranted closer inspection of the three proposals, specifically the DN Tanks’ low bid amount should have “raised a red flag” to scrutinize their intended sealcoating approach and material.

Water/Wastewater Commissioner Meeting Minutes  
September 2, 2014

Mr. Berg replied when the bids were received and opened, there was the potential that DN Tanks was specifying a different product. DN Tanks bid package did not indicate that it was a qualified bid—it was based on something else. Mr. Berg said following John Egan’s probing and comments, Wright-Pierce needed to undertake additional steps. Mr. Berg acknowledged the project has been delayed a few weeks and wants to rebid the project to avoid a bid protest and potential legal ramifications if DN Tanks’ coating technology, as bid, is accepted. Vice-Chairman White asked whether Wright-Pierce would cover financial differences due to the bid process errors and omissions. Mr. Berg said a rebid is recommended. Chairman Putnam inquired of the Dram Cup tank condition and whether it would operate well throughout the winter season. Mr. Boucher described the tank roof, walls, and floor, indicating he thought the water storage tank would do so. Mr. Berg said the project could be performed in the spring of 2015. Commissioner Courage pointed out that Mr. Berg’s memo indicated there is not an agreement with DN Tank yet. Mr. Berg responded there is not an agreement. He said the only thing the Town has done is provide a Notice of Award, there are no legal ramifications at this time. Mr. Courage asked for clarification that Milford had not committed to a decision. Mr. Berg said exactly. Mr. Boucher said the Notice to Proceed is the next step. Mr. Berg agreed, adding that the Notice to Proceed and the agreement would be the next steps, and once into an agreement, it is much harder to detangle from a contractor. As of now, Mr. Berg said, Milford has announced the intention to award this project, so there are no legal ramifications to decide to not do this project.

Vice-Chairman White commented that because DN Tanks had been given project bid documents correctly and since they had chosen to bid differently, it is DN Tanks’ issue for underbidding. Mr. White added that he understands there isn’t a bid bond but DN Tanks could be held to their bid. Mr. Berg said there is a bid bond for this project and the right to pursue a bid bond exists. Mr. Berg said in this instance DN Tanks may likely give up their bid bond rather than be held to the price they submitted. Without tight dates, Mr. Boucher said, this project could potentially be delayed until next year. Mr. Berg agreed that going that route would definitely extend the project timeframe. Mr. Boucher asked Mr. Berg whether the product proposed by DN Tanks was similar to Amtek’s product. Mr. Berg agreed it was fairly equivalent, adding it was a single liner system that does not involve a parch coat. Mr. Boucher recalled that Amtek had not submitted a bid on July 30<sup>th</sup> nor August 4<sup>th</sup> although they had submitted a price quote. He noted that the lower bid price submitted by DN Tanks might reflect their familiarity with the Dram Cup tank since they had been inside the tank during recent roof work. Mr. Berg said he would expect DN Tanks would bid on this project a second time, as well as Amtek and most of the listed painting contractors, as they are capable of performing the DN Tanks’ technology in addition to the coating technology that was specified.

The commissioners agreed that facing this rebid situation will not reflect favorably upon Milford’s reputation within the industry the next time a water storage tank bid is advertised. Chairman Putnam reiterated his surprise that Mr. Berg hadn’t pursued the bid price disparity upon opening and initially reviewing the August 4, 2014 Dram Cup Water Tank Lining Project bids. Vice-Chairman White said that the bids are well known now on the street. Mr. Boucher said if given the chance to rebid, perhaps John Egan would submit at a lesser cost for the same product as a result of the various discussions. Mr. Berg said the rebid could be based on the alternate coating technology, since the potential cost is known to be lower. Mr. Berg said a rebid for spring 2015 may result in a reduced cost base bid. He stated it was his opinion that bid prices may be higher now since companies are busy, and companies are looking to fill their spring schedules. Vice-Chairman White asked if this DN Tanks product is adequate, shouldn’t Milford have specified this product in the beginning, and why should Milford spend another \$150,000 if it wasn’t necessary to have a particular product? Chairman Putnam said that is a reasonable

question. Mr. Berg said one of the potential issues with the less expensive, acceptable DN Tank methodology is that after-the-fact wall coating repairs are less manageable and more difficult to perform 10 – 15 years into the future than the material originally specified in the plans. The commissioners thanked Mr. Berg for attending this evening's meeting. Mr. Berg said he awaits the commissioners' direction.

Following discussion, it was the consensus of the Board of Commissioners that this wide range of bid pricing should not have happened and the board leaned toward a rebid despite an unprofessional appearance within the industry due to the hired engineering firm not having taken action when the low bidder didn't meet the desired project specifications. Mr. Boucher said a rebid should produce favorable results and a good product. The Board does not want to accept a lesser quality product in order to keep the cost of the lowest bid, and acknowledge that there are no guarantees. Rebid prices may come in higher, but would be preferable to the legal pursuit of a bid bond. Commissioner Courage inquired the amount paid to Wright-Pierce to date for the Dram Cup Water Tank Lining Project, considering Water Capital Reserve Funds may be the option for project overages.

Commissioner Courage made the motion that Director Boucher contact Wright-Pierce to dismiss the first bid, accept the second bid, and request Wright-Pierce continue to manage and oversee the Dram Cup Water Tank Lining Project to the end while forfeiting the remainder of their contractual fee. Vice-Chairman White seconded the motion. All voted in favor.

### **Non--Public Session**

Chairman Putnam asked for a motion to enter into non-public session. Vice-Chairman White made the motion to go into non-public session at 6:40 p.m. for the purpose of discussing land, per RSA 91-A:3,II(d). Chairman Putnam seconded the motion. All voted in favor. Vice-Chairman White made the motion to exit the non-public session and return to the public session at 6:47. Chairman Putnam seconded the motion. All voted in favor. Chairman Putnam announced no decisions were made during the non-public session.

### **Decisions**

Approval of Meeting Minutes – Vice-Chairman White made the motion to approve the minutes of the August 19, 2014 meeting. Commissioner Courage seconded the motion. All voted in favor.

Lawn Care Abatement Request – 90 Patch Hill Lane – Following discussion, Commissioner Courage made the motion to approve this lawn care abatement request in the amount of \$28.96. Vice-Chairman White seconded the motion. All voted in favor.

Late Fee Abatement Request – 374 Main Street, Wilton – Following discussion of the family circumstances preventing payment on this account, Vice-Chairman White made the motion to approve this late fee abatement request in the amount of \$10.00. Commissioner Courage seconded the motion. All voted in favor.

Water Users Fee/Tax Collector's Warrant – The Commissioners signed the Tax Collector's Warrant for collection of taxes in the matter of water users fees for the August 2014 Bill Commitment 140829 and for the August 2014 Final Bills issued.

Water/Wastewater Commissioner Meeting Minutes  
September 2, 2014

Sewer Users Fee/Tax Collector's Warrant – The Commissioners signed the Tax Collector's Warrant for collection of taxes in the matter of sewer users fees for the August 2014 Bill Commitment 140829 and for the August Final Bills issued.

### **Discussion/Information Items:**

Comprehensive Wastewater Facilities Plan and Sewer Rate Study – Director Boucher apprised the commissioners of the September 3, 2014 visit by Mr. Steve Clifton, Underwood Engineers to finalize the draft rate study. Mr. Boucher will follow-up with Mr. Jack Sheehy, Director of Financial Operations, regarding MUNIS budget details. He expects to find out tomorrow when the draft rate study will be available so that a public hearing may be planned. Vice-Chairman White inquired whether there is an indication of what the proposed rate will be. Mr. Boucher said no, he will ask tomorrow. Director Boucher discussed the information emailed earlier to the commissioners, referring to eight year projections provided within Stantec Consulting's 2009 rate study. Mr. Boucher explained why no changes to capital reserve accounts are currently needed, the budget is on target.

West Elm Street Proposed Water Main Extension – Chairman Putnam wants to be sure to provide email hand-outs of proposed project talking points in advance of the September 8 meeting with the Board of Selectmen. He will draft a memo to the Selectmen. Talking point details were agreed upon and will identify the parties to benefit from this proposed water main extension project. Director Boucher will contact T.F. Moran tomorrow for financial numbers. No increase to the 2015 hydrant rental fees are anticipated.

Olive & Linden Street Water Main Project – Director Boucher distributed a drawing and explained the approximately 60' of progress achieved. The Public Works Department will assist with sweeping up stone with the vacuum truck tomorrow.

Transportation of Dewatered Sludge Update – Director Boucher said he had spoken with Ms. Tammy Scott, Transfer Station Supervisor, and there were no issues to be resolved.

Activities Report – Reviewed by the commissioners. Various financial documents were distributed to the commissioners. Mr. Boucher distributed an August 27, 2014 memo from Ms. Kathy Doherty, Tax Collector, regarding correspondence sent via certified mail concerning an outstanding 2013 wastewater tax balance, and information has been forwarded to recording to the Hillsborough County registry of Deeds. Ms. Doherty also informed the commissioners of outstanding sewer charges for a Wilton property. The property owner has not yet responded to the Tax Collector.

Miscellaneous Water Utilities Department Project Updates – Director Boucher apprised the commissioner that the Souhegan Street sewer lining project has been completed an half of the Beech Street sewer lining portion has been achieved.

### **Future Appointments/Meetings:**

The next regular Commissioners' meeting will be Tuesday, September 16, 2014 at the Water Utilities Department, 564 Nashua Street.

**Adjournment:**

Vice-Chairman White made the motion to adjourn the meeting at 7:23 p.m. Commissioner Courage seconded the motion. All voted in favor.

\_\_\_\_\_  
Michael E. Putnam, Chairman

\_\_\_\_\_  
Date

\_\_\_\_\_  
Dale A. White, Vice-Chairman

\_\_\_\_\_  
Date

\_\_\_\_\_  
Robert E. Courage, Commissioner

\_\_\_\_\_  
Date